

Roger → Rick

07/23/01

PHILIP MORRIS

MANAGEMENT CORP.

120 PARK AVENUE • NEW YORK, NY 10017-5592 • (917) 663-5000

COLIN L. GODDARD
DIRECTOR,
ENVIRONMENTAL AFFAIRS

July 2, 2001

Roger Walk
PM USA
RD&E/Scientific Affairs
4201 Commerce Rd.
Richmond, VA 23234

Log -
ref j to you

j
9/4

→ file (new)
"EMC"

I would like to
serve on EMC. This relates
to another aspect of harm
reduction and I think
RD+E should be represented.
I worked with these folks
for years, but somebody

(917) 663-2728
FAX: (917) 663-5044
E-MAIL: colin.goddard@us.pm.com

else from RD+E could also
serve there.

What do you think?

Roger

- 1 meeting per year } resource
- Approx. 2 hr / month } requirement

Dear Roger,

Re: Environmental Management Council

The Worldwide Environmental Policy Network (WEPN) was established in 1995 as a mechanism to address evolving corporate environmental issues. Since then, it has served as a body of operating company representatives, enabling pro-active participation in corporate strategic policy discussions on the environment.

Members of the WEPN have, over the years, also undertaken assignments on smaller task forces, which focused on specific topics such as environmental reporting, performance indicators and packaging, etc.

One of the inevitable characteristics of the WEPN, since most of the issues that were dealt with were facility-based, was that its membership derived predominantly from operations functions.

Over the past year or so, we have seen the scope of our environmental activities move more in line with the value chain of our products, from the management of natural resources to packaging and processes. For this reason, the WEPN group would better serve the corporation with a more diverse membership.

This not only makes sense for our own strategic environmental goals moving forward, but is one of the recommendations coming out of the international Environmental Management Systems Review, completed last year.

As we have discussed over the past few months with members of the WEPN, I am writing to you today, on behalf of the Environmental Affairs department, to ask if you would be willing to serve on the newly reconstituted **Environmental Management Council (EMC)** - formerly the WEPN group.

PM3001180577

I'm glad to report that this new standing corporate structure was endorsed by the Corporate Management Council at its meeting on July 26, 2001. The EMC will serve in a variety of consultative ways that help support the corporation's environmental objectives, beginning with a focus on operational compliance and environmental reputation management.

The work of the Environmental Management Council will initially be structured in three focus areas addressing; Policies and Programs, Internal and External Stakeholder Relations, and Process, Technology and Innovation. The overall goals of the EMC will be to:

- Support and encourage consistent environmental performance by promoting a common interpretation of internal policies, programs and practices throughout the Philip Morris Family of Companies and the development of appropriate internal mechanisms and guidance.
- Help anticipate the environmental policy needs of the corporation resulting from evolving business concerns, changing global expectations, regulatory changes, and related environmental developments along the company's value chains.
- Help identify and develop positions on environmental issues and, through various appropriate internal mechanisms – including the new Issues Management process - recommend them to the Corporate Management Committee for approval and endorsement.
- Help plan and execute appropriate environmental communications internally and externally.
- Identify opportunities for environmental performance improvements through new approaches to technology and innovation.
- Leverage additional internal and external knowledge and expertise as required.

The experience you bring to your functional role in your organization will help us as we plan ahead.

We have many issues before us and the Council will provide a focal point for ongoing environmental progress and senior management support.

Our first global meeting of the Environmental Management Council will be held in San Antonio, Texas on November 8-10.

I look forward to hearing that you have agreed to join the EMC with an initial one year commitment and, in the expectation that you will do so, may I ask that you put the November date in your diary and plan to join us for those three days in Texas.

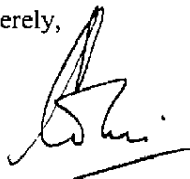
Further details of the meeting will be sent to you within the next four to five weeks.

If you would like me or David Lowy, Vice President, Environmental Affairs, to contact your manager with further information about this invitation, please let me know.

I look forward to hearing from you at your earliest convenience but no later than July 20, 2001.

With best wishes,

Yours sincerely,



PM3001180578